



City of Santa Barbara
Airport Department

DATE: April 20, 2011

TO: Airport Commission

FROM: Karen Ramsdell, Airport Director

SUBJECT: Lease Agreement – J. Michael Condron dba Atlas Fence Company

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute the following month-to-month Lease Agreement with J. Michael Condron, a sole proprietor, dba Atlas Fence Company, for 1,560 square feet of office and storage space in Building 314, Unit A, at 101 Dean Arnold Place and 2,236 square feet of adjacent storage yard, at the Santa Barbara Airport, effective April 1, 2011, for a monthly rental of \$1,895, exclusive of utilities.

DISCUSSION:

The subject Premises is located south of Hollister Avenue in an Airport Facilities (AF) zone.

Atlas Fence Company has been an Airport tenant in good standing since 1980. Mr. Condron proposes to continue to lease the current Premises for offices, light manufacturing and storage of materials and equipment. Two employees work at this location. The use conforms to existing zoning.

Atlas Fence's 2007 term lease expired March 31, 2011. Mr. Condron received CPI adjustments in 2009 and 2010 that increased his rental rate to \$1.20 per square foot. While this is within the established industrial rental range of \$.95 to \$1.50 per square foot, it exceeds similar properties in the area. Mr. Condron requested that his rent be reduced to market rate.

The proposed monthly rental is based on a rate of \$1.00 per square foot for Industrial space. The yard rental is based on a rate of \$.15 per square foot for unpaved land. Both spaces are comparable to other buildings and land on the Airport for similar use and in similar condition. The current Industrial rate ranges from \$.95 to \$1.50.

In addition, Atlas Fence will also pay monthly utility charges of \$65.50 or metered amount, whichever is greater, for water and \$35.25 for sewer service.

The proposed Lease Agreement has been negotiated based upon the criteria set forth in Resolution 93-127, and has been reviewed and determined to be exempt from environmental review.

PREPARED BY: Business & Property Division

ATTACHMENT: Map